

export processing zones, electronic hardware technology park units and software technology units may import, free of duty, the capital goods, raw material, office equipment etc. subject to fulfillment of the provisions specified in Hand Book of Procedures, Vol. 1, 1997–2002. Import of capital goods at concessional rate of Custom Duty, subject to an export obligation to be fulfilled over a period of time, is also allowed under the EXIM Policy. These provisions of the EXIM Policy are applicable to the exporters of all commodities including meat.

(f) The exporters of meat are exempted from Excise Duty and Sales Tax. The Income Tax holiday is applicable to the exporters of all commodities including meat.

#### **Production of Oilseeds**

2048. SHRI K.R. MALKANI: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that between 1990-91, Oilseeds production went up from 16.61 million tonnes to 24 million tonnes;

(b) why in this favourable situation, imports were allowed to leap-frog from 0.19 million tonnes to 28.08 million tonnes as reported in the Hindustan Times, dated 20th January, 1999;

(c) whether this was an attempt to dump edible oils in India and depress Indian prices to the disadvantage of Oilseeds growers and edible oil industry; and

(d) whether the recent poisoning of mustard oil is also part of this conspiracy to kill our edible oil industry?

**THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE):** (a) The production of oilseeds have increased from 18.61 million tonnes in 1990-91 to 24.22 million tonnes (likely) during 1998-99.

(b) the import of vegetable oils fixed (edible) were 5.26 lakh tonnes in 1990-91 and 17.11 lakh tonnes (provisional) dur-

ing the period April–November, 98. In spite of an increase in production of oilseeds, the availability of edible oils from indigenous sources is not sufficient to meet the domestic demand. The gap still exists, as demand of edible oils is going up on account of high growth of population and rise in the living standards of the people.

(c) and (d) No, Sir.

#### **Industrial growth**

2049. DR. (Ms.) P. SELVIE DAS: Will the Minister of INDUSTRY be pleased to state:

(a) whether industrial growth of 6.3 per cent in April, 1998 has slumped to 2 per cent in October, 1998;

(b) if so, what are the reasons for such slump; and

(c) whether Government propose to reach the target estimated for the current financial year, 1998-99?

**THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT):** The industrial growth rate during 1998-99 for the period April–December (month-wise) is as follows:

	1998-99
April	4.8
May	3.7
June	4.8
July	3.4
Aug	4.4
Sept	2.8
Oct	0.8
Nov	3.8
Dec	3.2

(b) The slow down in industrial growth can be attributed to both the domestic and external factors.

\* Domestic factors include weak demand on account of inadequate investment in infrastructure sectors, like power, ports and transport, and slow down in general investment mainly

due to sluggish capital market conditions.

- \* On the external side, the export growth has been sluggish which has been aggravated by fall in world export growth. Export growth at (-) 2.88% has shown a substantial decline during April—December 1998.
- \* Demand constraints constitute one of the important reasons for decline in industrial growth. While there has been decline in growth in textiles on account of slowdown in consumption demand, cement and steel have been affected by lack of investment demand.
- \* Indian corporates have also been affected by competition from cheap imports, owing to devaluation on currencies in East Asia and Brazil.

(c) No annual target of industrial growth for the year 1998-99 has been fixed. However, the Government has announced various measures for correcting sectoral policies and to induce faster growth. In the Budget for 1999-2000, various measures have been announced for revival of industry to accelerate industrial growth. These measures are likely to lead to a favourable impact on industrial growth.

#### Central investment subsidy for North-Eastern States

2050. SHRI W. ANGOU SINGH: Will the Minister of INDUSTRY be pleased to state:

(a) the category in which Central investment subsidy in industries has been given to the North-Eastern States;

(b) the rate of subsidy alongwith the total amount of capital investment given to this North-Eastern Region;

(c) whether the area can be called "No industries region"; and

(d) if so, what steps have been taken in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) All industrial units other than those run departmentally and located in the notified backward areas were eligible for subsidy under the Central Investment subsidy scheme. The backward areas were classified into three categories viz. category 'A' Category 'B' and Category 'C'. The rate of subsidy was ranging between 10%—25% of the fixed capital investment, subject to a ceiling of Rs. 25 lakhs. Since inception of the Scheme till date, an amount of Rs. 77.75 crores has been released to the North-Eastern States.

(c) and (d) All the States in the North-Eastern Region were notified as industrially backward areas and were included in Category 'A' which covered the areas of 'No Industry Districts' and 'Special Region Districts.'

A new Industrial Policy for the North-Eastern Region providing a number of incentives and other fiscal benefits was announced in December, 1997 for accelerating industrial development of the region.

#### Sale tax exemption to Tata Indica Car Manufacturers

2051. SHRI GOVINDRAM MIRI: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are aware of the fact that the Maharashtra Government have exempted Tata Indica Car manufacturers/traders from paying Sales tax thereon;

(b) if so, whether his Ministry has ensured that the fruits of exemption reach the consumer who are the targeted beneficiaries; and

(c) if so, how and if not, why?